

SECRET

ATTACHMENT
(Reference C to
Logistics Annex for
Project [REDACTED])

25X1C

RECORDING OF PROPERTY TRANSACTIONS RELATING TO

PROJECT [REDACTED]

25X1C

1. HEADQUARTERS ISSUES TO PROJECT [REDACTED] (Action Form 88 or 291):

25X1C

a. Based on documentation initiated by [REDACTED] the Supply Division, Office of Logistics (SD/OL), shall process the issue using Transaction Analysis Code 6I or 7R, which will result in entries to the general ledger accounts as set forth below:

25X1A

*(1) Issues from stock - Transaction Analysis Code 6I:

Dr. 1913 - Deferred Debits - Property Released

Cr. 1721 - Stores - Supplies and Equipment

(2) Issues of direct procurement - Transaction Analysis Code 7R:

Dr. 1721 - Stores - Supplies and Equipment

Cr. 4250 - Property Purchased - Acquisitions

Dr. 1913 - Deferred Debits - Property Released

Cr. 1721 - Stores - Supplies and Equipment

*Note: If a requisition is filled by transfer of the materiel from a [REDACTED] installation, the transaction will be recorded as a return or transfer to headquarters stock and issue from headquarters stock to the project, using applicable Transaction Analysis Codes set forth below:

25X1A

SECRET

(a) Returns or transfers to headquarters stock:

(1) Transaction Analysis Code 2D - Nonexpendable

Materiel from headquarters controlled property-in-use (PIU) accounts or Type III installations:

Dr. 1721 - Stores - Supplies and Equipment

Cr. 1741 - Property In Use - Headquarters

Dr. 1749 - Reserve for Property In Use

Cr. 4275 - Value of Property Returned to Stock

(2) Transaction Analysis Code 2I - Nonexpendable

Materiel from Type II installations:

Dr. 1721 - Stores - Supplies and Equipment

Cr. 1743 - Property In Use - Type II Installations

Dr. 1749 - Reserve for Property In Use

Cr. 4275 - Value of Property Returned to Stock

(3) Transaction Analysis Code 2F - Expendable Materiel

from PIU accounts, Type II and Type III installations:

Dr. 1721 - Stores - Supplies and Equipment

Cr. 4275 - Value of Property Returned to Stock

(4) Transaction Analysis Code 2H - Expendable or non-

expendable materiel transferred from Type I installations:

Dr. 1721 - Stores - Supplies and Equipment

Cr. 1725 - Materiel in Transit from Type I

Installations to Headquarters

(Headquarters' message to the Type I installation requesting the transfer will instruct that installation to process the shipping document as "Transfers to Headquarters - Transaction Analysis Code 83".)

b. SD/OL will forward two copies of each issue document, reflecting the transaction analysis code 6I or 7R to Accounts Division, Office of Finance (AD/OF). AD/OF will annotate its records, forward one copy of the issue document to [] and retain one copy for vouchering as required.

25X1A

2. The Office of Finance will implement the procedures established for property transactions relating to Project [] as follows:

25X1C

a. Opening Inventory (paragraph 2a(4)(a) of Reference C of Logistics Annex):

(1) Proprietary Systems and Accounts Division, Office of Finance (PSAD/OF) shall prepare and forward to Accounts Division (AD/OF) an appropriate voucher to record the approved Project [] opening inventory in the general ledger accounts as follows:

25X1C

Dr. 1601 - Investments in Proprietary Projects

Cr. 1609 - Reserve for Investments in Projects

Concurrently, the following additional entry shall be made to liquidate any balance in account 1745 representing the value of Project [] property-in-use recorded therein prior to the date of the above opening inventory

25X1C

on the basis of financial reports submitted by Project []

25X1

Dr. 1749 - Reserve for Property In Use

Cr. 1745 - Property In Use - Other

b. Clearance of Account 1913 - Deferred Debits - Property Released:

(1) Issues on "outright sales" basis: Upon receipt of the transmittal memorandum and payment check from the Monetary Division, Office of Finance, will take necessary action to effect the following entries to the general ledger accounts:

25X1A

Dr. 1117 - Undeposited Collections

Cr. 3519 - Deferred Credits - Unapplied Collections

Concurrently, when the above entry is made, Monetary Division will forward a copy of the transmittal memorandum received from Accounts Division. Accounts Division will record the following entries to the general ledger accounts:

25X1A

Dr. 4265 Cost of Property Sold

Cr. 1913 Deferred Debits - Property Released

Dr. 4213 Reimbursements to Appropriations

Cr. 4105 Appropriations Available for Allotment

Dr. 3519 Deferred Credits - Unapplied Collections

Cr. 4225 - Current Income - Reimbursements

c. Issues on "No Reimbursement Required" Basis: Based on a copy of the issue document furnished pursuant to paragraph 1b, above, AD/OF shall prepare the necessary posting voucher(s) and forward same to PSAD/OF for concurrence and return to AD/OF for processing to effect the following entries to the general ledger accounts:

SECRET

*Dr. 4242 - Indirect Costs - Property Issues

(cite FAN account shown on issue document)

Cr. 1913

- Deferred Debits - Property Released

Dr. 1601

- Investments in Proprietary Projects (cite Division and Project Code assigned by AD/OF to effect entry to separate subsidiary account

25X1A

for [] property furnished to []

25X1C

Cr. 1609

- Reserve for Investments in Projects

25X1A *NOTE: [] will take necessary action to encumber Property

Requisitioning Authorization (PRA) at the time the

requisitions are placed unless such issues are

specifically exempted from charge to PRA under existing

25X1A

[] supply and FPA procedures. In the event an issue

or reissue is exempt from charge to PRA, the remarks

block of the requisition shall contain the explanations

and information necessary to permit determination of

the appropriate account (other than 4242) to be charged.

d. Reconciliation and Adjustment of Investment Account:

(1) PSAD/OF shall reconcile the approved project [] monthly status reports of [] furnished property with account 1601 - Investments in Proprietary Projects, utilizing the machine listing provided by AD/OF.

25X1C

25X1A

(2) PSAD/OF will prepare and forward to AD/OF for review and recordation posting voucher(s) to effect any adjustments to the investment account determined to be necessary as a result of the above mentioned reconciliation, such as:

SECRET

- (a) Decreases due to disposition of [] property by project []

25X1A
25X1C

Dr. 1609 - Reserve for Investments in Projects

Cr. 1601 - Investments In Proprietary Projects

(Cite appropriate Division and Project Code)

- (b) Increases due to failure to properly record shipments

25X1A

of [] property to []

25X1C

Dr. 1601 - Investments in Proprietary Projects

(Cite appropriate Division and Project Code)

Cr. 1609 - Reserve for Investment in Projects

- (3) As of the close of each month, AD/OF shall obtain and

forward to PSAD/OF a machine listing of entries to the

subsidiary account 1601 for [] property furnished

25X1A

25X1C

to project []